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GARY R. FARRAR

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF CALIFORNIA

IN RE:

SOUTH Y FIREPLACE, INC. dba WEST
COAST FENCE CO. INC.,

Debtor.

NO: 10-47419-A-7

DC No.: SLF 5

AMENDED DECLARATION OF GARY
R. FARRAR IN SUPPORT OF MOTION
FOR AUTHORIZATION TO SELL
VEHICLES AT PUBLIC AUCTION

Date: February 22, 2011

Time: 10:00 a.m.

Place: Department A

The Honorable Michael S. McManus

I, GARY R. FARRAR, declare:

1. I am the Chapter 7 Trustee in this case. I submit this declaration in support of my motion for authorization to sell eight vehicles (the "Vehicles") at public auction. I have personal knowledge of the facts contained in this Declaration and, if called on, could and would testify to them.

2. The Debtor scheduled the Vehicles as follows:

- a. 1995 Ford Dump Truck, which the Debtor valued at \$3,150.00.
- b. 1999 Ford F-350, which the Debtor valued at \$3,875.00.

AMENDED DECLARATION OF GARY R. FARRAR
IN SUPPORT OF MOTION FOR AUTHORIZATION
TO SELL THE ESTATE'S INTEREST IN VEHICLES
AT PUBLIC AUCTION

- 1 c. 1997 Chevy Flat Bed, which the Debtor valued at \$2,760.00.
2 d. 2003 Ford Flat Bed, which the Debtor valued at \$13,325.00.
3 e. 2005 Chevy Silverado, which the Debtor valued at \$6,365.00.
4 f. 2001 Ford F-150, which the Debtor valued at \$1,910.00.
5 g. 2004 Ford F-250, which the Debtor valued at \$16,795.00.
6 h. 1998 Volvo S-70 T5SE, which the Debtor valued at \$2,960.00.

7 3. The Vehicles are stored at Ernst & Associates Auctioneers, Inc.

8 4. The Debtor did not schedule any liens against the Vehicles and the Trustee
9 is unaware of any liens.

10 **SALE OF THE PROPERTY AT PUBLIC AUCTION**

11 5. I believe, based on my knowledge and on the evaluation of the Vehicles by
12 Ernst, that there is equity in the Vehicles and a sale of the Vehicles at public auction is the best
13 method of liquidating them for the benefit of the estate.

14 6. I believe that by using an auction process, the Vehicles will be exposed to a
15 large number of prospective purchasers and, for that reason, will likely be sold for the best
16 possible price. Ernst engages in extensive advertising, including highway billboards, television,
17 and newspaper advertising, and it mails advertising brochures to its subscriber list of
18 approximately 6000 people.

19 7. If the Court approves this Motion, I intend to sell the Vehicles at public
20 auction at Ernst's first available auction date. The Vehicles will be sold on an "AS IS" basis
21 without any warranty. The proposed public sale will be held on the first available Saturday after
22 the Court approves this motion, at 9:00 a.m. at Ernst, located at 824 Kiernan Avenue, Modesto,
23 California 95356. Interested persons may inspect the Vehicles at Ernst on the Friday preceding
24 the sale between 9:00 a.m. and 4:00 p.m. Information regarding the sale or subsequent sale
25 dates, if any, may be obtained by telephoning Ernst, at (209) 527-7399.

26 8. I intend to accept the highest reasonable bid. If, in the exercise of my

1 business judgment, no reasonable bid is received, the Vehicles may be held for subsequent
2 auction or private sale without additional notice.

3 9. I believe the sale of the Vehicles at a public auction is in the best interests
4 of the creditors because it is likely to obtain the best possible price and should be approved by
5 the Court under Bankruptcy Code Section 363.

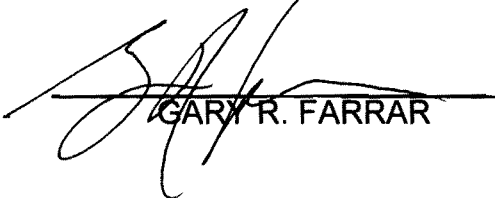
6 **AUCTIONEER COMPENSATION**

7 10. I request authorization to pay Ernst a 15 percent commission and to
8 reimburse it for reasonable expenses directly from the proceeds of sale, and for Ernst to collect
9 a 15 percent buyer's fee directly from the buyer. I believe that this is a customary practice for the
10 auction sale of personal property and one which encourages the use of auction professionals to
11 assist with bankruptcy sales of property. I will file a report of the sale with the Court.

12 11. In addition, Ernst incurred expenses totaling \$1410.00 to pick up the
13 Vehicles from the Debtor's facilities in San Jose and Ripon and transport them to Ernst's
14 location in Modesto in preparation for sale. These expenses consist of \$1280.00 to transport
15 vehicles from San Jose and \$130.00 to transport vehicles from Ripon. True and correct copies
16 of the November 22, 2010, and November 24, 2010, invoices submitted to me by Ernst that
17 detail the expenses it incurred in collection and transportation of the Vehicles are attached as
18 Exhibit A to the exhibits filed concurrently.

19 I declare under penalty of perjury that the foregoing is true and correct

20 Executed on January 26, 2011, at Modesto, California.

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22 GARY R. FARRAR
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